STATE OF HAWAII, REQUEST FOR EXEMPTION FROM CHAPTER 1030, HRS JUN 15 AIO :32

TO: Chief Proc	urement Officer	STATE PROCUREMENT OF THE PRATION						
FROM: DHS/N	1QD	R FATT Lindburg College						
(Department/	Division/Agency)	TAIL FLACTOR MENT OFFICE						
Pursuant to § 103D- purchase the follow		he Department requests a procurement exemption to						
Description of good	ds, services, or construction:							
	gal services and development of ST and QUEST Plus Programs.	the 1115 waiver extension for the						
Name of Vendor:		Cost:						
Address:	Covington & Burling 1201 Pennsylvania Ave NW	Cost.						
Address.	Washington, DC 20004-2401	434,875.00						
Term of Contract:	From: To: Approval June 22, 2004 April 30, 20	Prior Exemption Ref. No. (if applicable)						
See attac	hment	is either not practicable or not advantageous to the State:						
practicable:		ne vendor to ensure maximum fair and open competition as						
See atta	chment							
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REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

A description of the agency's internal controls and approval r	equirements for the exempted procurement:
See attachment	
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A list of agency personnel, by position title, who will be invo	lved in the approval process and administration of the contract:
Steve Kawada, Acting Administrator Brian Pang, Finance Officer	
Angelina Payne, Health Coverage Brand	ch Administrator
Lillian B. Koller, Director	
Direct questions to:	Phone Number:
Brian Pang	692-7956
This exemption should be considered for list of exemptions att	ached to Chapter 3-120, HAR: Yes □ No 🎞
	D ABOVE IS, TO THE BEST OF MY KNOWLEDGE, CORRECT.
	200 2 2004
	Department Head or Designee Date
	Title (If other than Department Head)
Chief Procurement Officer's Comments:	
Chief Procurement officer's Comments.	
This exemption is for the solicitation process and	Chapter 103D-310(c)(1) and (c)(2) only.
Please ensure adherence to applicable administrative requirement	ents.
APPROVED Disapproved	10m J. Jan 6/29/04
cc: Administrator, State Procurement Office	Chief Procurement Officer Date

P.E. No 04-56-M

Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:

Since August 1994, the Centers for Medicaid/Medicare Services (CMS) has approved the Hawaii QUEST Program (QUEST) under Section 1115 of the Social Security Act. The QUEST program currently includes all population except the Aged, Blind and Disabled (ABD) recipients. Those ABD recipients are currently eligible under the traditional fee for service programs. The current QUEST program has been approved by CMS until March 31, 2005. Hawaii must request an extension of the waiver by September 30, 2004.

With this current waiver extension renewal, Hawaii will be requesting from CMS to be included the ABD population under the QUEST Program. The program, QUEST Plus, will incorporate the ABD population and would include the medical and long term care components.

This proposal to CMS will be unique since it will incorporate both the medical and long term care for the ABD population. Tennessee and California are also attempting to incorporate these populations into managed care. Mr. Charles Miller who has represented Hawaii for both the QUEST and Medicaid Programs is also representing Tennessee and California. Hawaii would like to join the other two states in dealing with CMS and receiving approval for the wavier extension. No other attorneys within Hawaii or the Attorney Generals Office is familiar with the complexities of the 1115 waiver programs.

Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:

Mr. Miller has worked with Hawaii since 1980's and was instrumental in developing the original QUEST waiver. He is also familiar with the federal issues and by joining California and Tennessee, it would enhance the chances of gaining federal approval by CMS.

A description of the agency's internal controls and approvals requirements for the exempted procurement:

In this situation the DHS/Med-QUEST Finance Office is the lead section. The Finance Office would ensure that there is no other counsel in Hawaii or the AG's Office available to complete these tasks. The recommendation for exemption is made to the Division Administrator for approval. The Director of Human Services will make the final approval. If approved, a letter to the Attorney General is sent requesting the use of outside council.

STATE OF HAWAII NOTICE OF EXEMPTION FROM CHAPTER 103D, HRS

The Chief Procurement Of	fficer is in the process of for exemption from Cha						Human ces, or co		
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Provide legal se QUEST and QUEST:	rvices and develo Plus.	opment of	the 11	.15 w	aiver	extens	ion for	the	Hawaii
Vendor: Covington & Address: 1201 Pennsy Washington,	Burling lvania Ave. NW DC 20004-2401								
Term of Contract: UPON CPO APPROA	From: June 22, 2004	To: April		005		Cost:	375.00		
Direct any inquiries to: Department: Human Se:	rvices_Mod_OUEST	Division							
Contact Name/Title: Brian		Phone Number: (808) 692–7956							
	amokila Boulevard i, Hawaii 96707	l, Suite 3	17			Fax Nui	nber:) 692 – 7	989	
	***	*****	****	***		Date Post	ed: Jun	e 16,	2004
A copy of this notice of exe purchasing agency in an are	mption from Chapter 103 a accessible to the public	3D, HRS, shal c, at least seve	l be post n (7) cal	ed by	the Chic	ef Procurer	nent Offic	er and	
Submit written objections to he date posted to:	this notice to issue an e	xemption fron	n Chapte	r 103I	O, HRS,	within sev	en (7) cal	endar d	lays from